

Sub-fund of Irish domiciled open-ended investment company

Fund owner: Calamos Investments

Fund manager/adviser: Calamos Advisors LLC

Named portfolio manager/adviser(s):

Team

Peer group: Global mainstream equities

Location: Naperville, Illinois

Launch date: November 2007

Fund size (June 2011): US\$150m

Contact group: +1 630 245 1363 or

www.calamos.com

Further information on S&P's fund coverage can be found at [www.FundsInsights.com](http://www.FundsInsights.com)



Report date August 2011

### Investment style

	Value	Blend	Growth
Large-Cap			
Mid-Cap			
Small-Cap			

### Performance statistics

	Three years
Fund	5.4%
Standard & Poor's peer median	-8.6%
Index**	-3.1%
Fund rank	498/4768
Volatility adjusted ranking	384/4768

Note: returns are cumulative

### Three-year risk characteristics

Maximum monthly drawdown (%)	-16.5
Volatility	16.8
Correlation	0.9
Beta	0.7

### Calendar year decile ranks



Decile ranking in discrete annual periods. First decile shown as rank 10, second decile as rank nine, with tenth decile as rank one.

Performance Data Source - © 2011 Lipper Inc. All rights reserved. All statistical data on this report has been run to 31 May 2011 on NAV to NAV basis, with gross income reinvested, in USD.

### Standard & Poor's opinion (August 2011)

Calamos Investments has been investing in US convertibles since 1977. Equities now represent the largest portion of the firm's assets under management, but convertibles remain a key expertise and define the whole of the investment process.

All company research is undertaken by the one team, with the aim of finding high-quality businesses and the best way of accessing them through equities, straight bonds or convertibles.

The approach is highly disciplined. Screens are used to highlight companies with high relative earnings growth and/or accelerating ROIC or revenues, the quality and sustainability of which is then tested by focusing on their balance sheet strength, cashflows and credit worthiness. The means of access then reflects the risk/reward profile in the prevailing market climate. This fund's required exposure to convertibles is 40-70%.

Calamos operates in a highly collegial atmosphere with remarkably low staff turnover at senior level. Joint CIOs John and Nick Calamos each have over 25 years' experience and are supported by the two heads of research - Jeff Scudieri (16 years' experience) and Jon Vack (19 years) - five strategy/sector analysts (average 17 years), three sector analysts (11 years) and eight intermediate analysts (10 years).

Although this fund was only launched in late 2007, it has performed in line with expectations, outperforming in down markets while capturing most of the upside in bull markets. The same is true of its US mutual counterpart, launched in 1996.

This expertise, experience and solid track record support the S&P AA rating.

### Fund manager & team

Calamos Investments, of Naperville, Illinois, is a Nasdaq-listed, family-controlled business, founded in 1977 by John Calamos (CEO) as a specialist convertible fund manager. The firm has since diversified and now manages over \$38bn, mainly in equities. The global convertibles strategy accounts for \$1bn.

John Calamos focuses on the business and top-down views. Co-CIO Nick Calamos, is responsible for the process and team which includes heads of research Jeff Scudieri (16 years' experience) and Jon Vack (19 years), five strategy/sector analysts (average 17 years), three sector analysts (11 years) and eight intermediate analysts (10 years). Staff turnover is very modest. Portfolio decisions are team-based, with the end result being a product of team consultation and debate.

John Calamos - MBA finance (Illinois Institute of Technology), is chairman, CEO and co-CIO of Calamos Investments, which he founded in 1977.

Nick Calamos - MS finance (Northern Illinois University), CFA, is co-CIO and head of investments of Calamos Investments, which he joined in 1983.

### Management style

This is a low-volatility equity fund designed to participate in rising markets and offer defensive qualities in down markets.

Quant screens help identify high relative earnings growth and/or accelerating ROIC or revenues, the sustainability of which is assessed by detailed fundamental analysis focusing on earnings expectations, balance sheet strength and cashflows. Management interviews focus on business planning and corporate governance.

Fair value is calculated for equities, using cashflow measures under various risk/reward scenarios; and for convertibles, using an option pricing model with long-term volatility inputs, proprietary credit ratings and equity performance estimates.

Portfolio construction, targeting 80-120 holdings, combines global themes, macroeconomic views and the team's highest conviction stock ideas. The equity/convertible split is determined at stock and sector level on risk/reward considerations, with exposure to convertibles ranging from 40% to 70%. The team is index-aware, but not driven by its MSCI World (USD) benchmark. Risk is managed through detailed knowledge of the holdings and exposure limits at region and stock level. Cash is typically under 3%.

# CALAMOS GLOBAL CONVERTIBLE OPPORTUNITIES FUND

Sub-fund of Irish domiciled open-ended investment company

Fund owner: Calamos Investments

Fund manager/adviser: Calamos Advisors LLC

# STANDARD & POOR'S



## Portfolio & performance analysis (June 2011)

As a mixed equity and convertibles product, the performance of this fund is difficult to assess within a meaningful universe for comparison purposes. We have used the S&P global equity fund sector which comprises funds that, under normal circumstances, are invested entirely in equities.

Confidence in the Calamos approach is provided by the firm's US mutual fund which has a solid long-term track record with returns broadly mid-way between those of the MSCI World index and the BoA-ML Global 300 Convertible index.

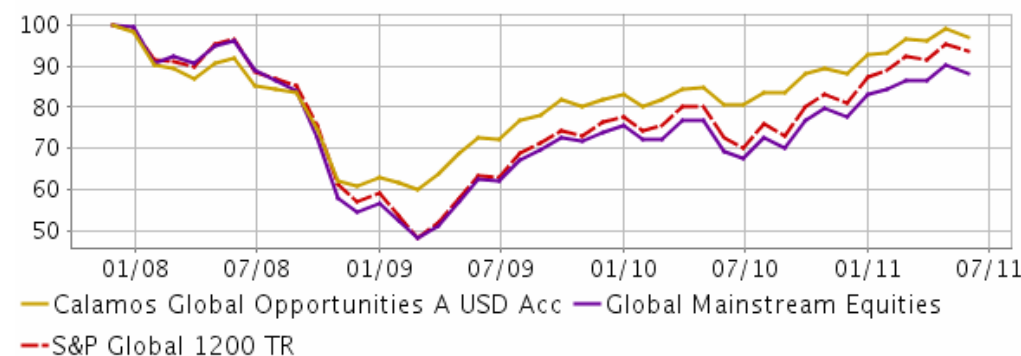
Turning to this Dublin-domiciled fund, despite a difficult 12 months to 1 July when compared to pure equity portfolios, the fund's cumulative returns remain borderline top decile over three years to date.

Essentially, the fund has performed almost precisely as intended, picking up a high proportion of the upside in rising markets, as reflected by being only 30bps short of the median for global equity funds in 2009 despite the strong equity market rally; and losing less than the average fund in down markets, as witnessed by the very strong outperformance in 2008 and strong returns over the first half of 2010.

Returns in 2008 were driven by the fund's inherent bias towards high credit quality convertibles, which held up better than most when the market crashed; whereas in 2009, the fund was hurt by being underweight equities and by the strong rebound in low credit quality convertibles. CCC credits provided an average 12-month return in 2009 of 112%; AA credits were up 11%. Lower quality issues also outperformed in 2010, but in 2011, the market again turned, to the fund's advantage, in favour of quality.

On the equity side, the market's 2011 year-to-date outperformance in energy, media, industrials and telecoms has been a mixed blessing, with the fund doing fine via its energy stock selection, being underweight financials and overweight healthcare, but hurt by an overweight in technology and the team's stock selection in the consumer staples sector.

## Cumulative performance



## Portfolio characteristics (1 June 2011)

No. of holdings	88
Turnover ratio (%)	56
% in top 10	27

## Asset allocation

	%
Basic materials	7.0
Consumer goods	6.0
Consumer services	7.0
Financials	6.0
Healthcare	16.0
Industrials	7.0
Oil & gas	12.0
Technology	25.0
Telecoms	2.0
Utilities	1.0
Others	8.0
Cash	3.0

## Top 10 holdings

	%
Subsea 7 *	3.7
ARM Holdings	3.2
Autonomy Corp. *	2.7
Shire	2.7
Symantec Corp. *	2.6
Billion Express Investments	2.5
Goldcorp *	2.5
Swatch Group	2.4
Archer-Daniels-Midland Co	2.2
EMC	2.1

\* In top 10 holdings a year ago

## Discrete performance (calendar years)

	2008		2009		2010		YTD 31-05-11			
	%	Rank	%	Rank	%	Rank	%	Rank		
Fund		7	-36.2	700/4496	32.3	2806/5429	11.6	2220/5982	4.7	4225/6275
Index**	10.2		-40.1		31.7		11.9		7.3	
Median	10.9		-43.7		32.7		10.0		5.9	

\*\* S&P Global 1200

Fund benchmark: MSCI AC World index

Share class screened: IE00B28VTV28 (A \$ Acc)

S&P's fund management research reports are, based mainly on public information, we do not audit the information and we may rely on unaudited information when we prepare the reports which are for institutional use only. A report is not investment advice, a financial promotion, or a recommendation to purchase, hold, sell or trade any security. A report should not be relied on when making an investment decision as the report is for information purposes only and not tailored to a specific investor. Past fund performance is no guarantee of future performance and we accept no responsibility if, in reliance on a report you act or fail to act in a particular way. We are paid for our fund management reports, normally by the fund issuer. Our fees are based on the analysis and time involved in the research process and are not conditional on awarding a fund a rating. Fund companies select the funds they want us to rate and may elect not to have published the rating they are subsequently awarded. Our fund management reports are continually monitored and updated reports are posted to [www.fundsinsights.com](http://www.fundsinsights.com). The funds described in this report are generally not available to US investors and are only available to US investors, if at all, who are "accredited investors" as that term is defined in Section 501 of Regulation D of the Securities Act of 1933, as amended or to investors who are deemed to be "qualified purchasers" as that term is used in Rule 2a51-1 under the Investment Company Act of 1940. S&P and our affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services we rate, include in model portfolios, evaluate or otherwise address.

The views expressed in a report reflect our committee's views and the committee's compensation is not related to specific rating or to the views expressed in a report. The trade marks of "Standard & Poor's" and "S&P" are the property of Standard & Poor's Financial Services LLC and are protected by registration in several countries. All rights in those marks are reserved. Copyright © 2011 Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved. No part of this publication shall be reproduced, stored in any retrieval system or transmitted in any form electronic or otherwise without the prior written consent of S&P. Any part of the publication by S&P of which this page is a part is made accessible subject to the terms and conditions which are accessible at the url address below ("S&P Terms") - by accessing and viewing this page and/or pages associated with or attached to it you accept the S&P Terms. Go to <http://www.funds-info.standardandpoors.com>. This report is issued subject to the laws of England and all matters arising from it or its use shall be subject to the exclusive jurisdiction of the Courts of England. Because of the possibility of human or mechanical error by our sources, S&P or others, we can't guarantee the accuracy of any information and are not responsible for any errors.

Performance Data Source - © 2011 Lipper Inc. All rights reserved. The performance information contained herein: (1) is proprietary to Lipper and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Lipper nor its content providers are responsible for any damages or losses arising from any use of this information.

## Symbols and definitions

### Long-only fund ratings

**AAA** The fund demonstrates the highest standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

**AA** The fund demonstrates very high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

**A** The fund demonstrates high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

### Fund-of-hedge-funds ratings

#### Absolute return fund ratings

#### Specialist fund ratings

**AAA** The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

**AA** The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

**A** The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

### Ucits III flexible beta fund ratings

**AAA** The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

**AA** The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

**A** The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

### All fund ratings

**Not Rated (NR)** Funds designated as Not Rated currently do not meet the requisite performance standards and/or the minimum qualitative criteria to achieve a fund rating.

**Under Review (UR)** Ratings are placed Under Review when significant management changes occur at the fund manager or fund management team level and Standard & Poor's Fund Services has not had the opportunity yet to evaluate their impact on the qualitative appraisal.

**(New)** Signifies where a major event has occurred for which there is no fund-specific track record available. This includes: funds recently launched, the implementation of a new investment process or mandate and may include structural changes within a fund team.

**Tenure Review (TR)** The fund manager/team involved in the management of the fund does not currently have the minimum 12 months' relevant investment management experience required to be eligible to be considered for a rating.

**Long-term fund management rating LTFMR** The fund has been rated in the A/AA/AAA fund rating band for five consecutive years or more, and continues to hold a rating.

### Bond fund volatility ratings

The bond fund volatility rating is our current opinion of a fund's sensitivity to changing market conditions. Volatility ratings evaluate the fund's sensitivity to interest rate movement, credit risk, investment diversification or concentration, liquidity, leverage and other factors. For V1-V4 categories, risk is considered relative to a portfolio composed of government securities and denominated in the base currency of the fund.

**V1** Bond funds that possess low sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within one to three years, and denominated in the base currency of the fund. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising the highest quality fixed income instruments with an average maturity of 12 months or less. Within this category, certain funds are designated with a plus sign (+), indicating extremely low sensitivity to changing market conditions.

**V2** Bond funds that possess low to moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within three to seven years, and denominated in the base currency of the fund.

**V3** Bond funds that possess moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within seven to 10 years, and denominated in the base currency of the fund.

**V4** Bond funds that possess moderate to high sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing beyond 10 years and denominated in the base currency of the fund.

**V5** Bond funds that possess high sensitivity to changing market conditions. These funds may be exposed to a variety of significant risks including high concentration risks, high leverage, and investments in complex structured and/or less liquid securities.

**V6** Bond funds that possess the highest sensitivity to changing market conditions. These funds include those with highly speculative investment strategies with multiple forms of significant risks, with little or no diversification benefits.

### Absolute return fund N ratings

The N rating is Standard & Poor's indication of a fund's potential capital stability in normal markets. It is a qualitative rating but is based on annualised weekly downside deviation. N1 is the most stable and N9 the least.